

STATE OF MICHIGAN
DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE REGULATION

Before the Commissioner of Financial and Insurance Regulation

In the matter of:

Office of Financial and Insurance Regulation

Enforcement Case No. 10-7599

Petitioner

v

Kyle Nolen
System ID No. 0457785

Respondent

CONSENT ORDER AND STIPULATION

Issued and entered
on 7/13, 2010
by Stephen R. Hilker
Chief Deputy Commissioner

I.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. At all times pertinent to the matter herein, Kyle Nolen (Respondent) was a licensed non-resident producer authorized to transact the business of insurance in this state.
2. As a licensed non-resident insurance producer, Respondent knew or had reason to know that Section 1239(1) of the Code, MCL 500.1239(1), provides that the Commissioner may suspend or revoke an insurance producer's license for any of the following reasons:

* * *

(b) Violating any insurance laws or violating any regulation, subpoena, or order of the commissioner or of another state's insurance commissioner.

* * *

(h) Using fraudulent, coercive, or dishonest practices or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere.

* * *

(j) Forging another's name to an application for insurance or to any document related to an insurance transaction.

* * *

3. As a licensed insurance producer, Respondent knew or had reason to know that Section 150(1) of the Code, MCL 500.150(1), states:

Any person who violates any provision of this act for which a specific penalty is not provided under any other provision of this act or of other laws applicable to the violation shall be afforded an opportunity for a hearing before the commissioner pursuant to the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, being sections 24.201 to 24.328 of the Michigan Compiled Laws. If the commissioner finds that a violation has occurred, the commissioner shall reduce the findings and decision to writing and shall issue and cause to be served upon the person charged with the violation a copy of the findings and an order requiring the person to cease and desist from the violation. In addition, the commissioner may order any of the following:

- (a) Payment of a civil fine of not more than \$500.00 for each violation. However, if the person knew or reasonably should have known that he or she was in violation of this act, the commissioner may order the payment of a civil fine of not more than \$2,500.00 for each violation. . . . An order of the commissioner under this subdivision shall not require the payment of civil fines exceeding \$25,000.00. . . .
- (b) The suspension, limitation, or revocation of the person's license or certificate of authority.

5. Respondent has failed to uphold the standards as described below.

COUNT I

ALLEGED VIOLATIONS:

1. On October 26, 2009, Mr. Nolen, in a letter to Gary Waddey, Northwestern Mutual Compliance, admitted that he “wrongly made the decision to sign documents on behalf of certain clients.”
2. Mr. Nolen made this admission regarding the following client:
 - i. G.P.
3. On November 4, 2009, Mr. Nolen mutually agreed to terminate his appointment contract with Northwestern Mutual.
4. On or about January 23, 2010, the Office of Financial and Insurance Regulation (OFIR) received a complaint from Josh Ries, Sales Practices Consultant, Northwestern Mutual, alleging Mr. Nolen admitted to “forging and tracing clients’ signatures to expedite the application process for non-variable insurance products.
5. Although no consumers were harmed, Respondent therefore violated MCL 500.1239(1)(b), (h) & (j).

COUNTS II-V

ALLEGED VIOLATIONS:

1. The same facts and charges apply to Counts II-V as listed in Count I, and each subsequent count corresponds to the numbered clients as follows:
 - ii. J. T.
 - iii. K. O.
 - iv. T. M.
 - v. D. T. M.

**II.
ORDER**

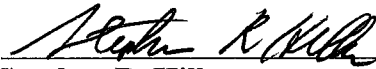
Based upon the Findings of Fact and Conclusions of Law above and Respondent’s stipulation, the Commissioner **ORDERS** that:

1. Respondent shall CEASE and DESIST from violating MCL 500.1239(1)(b), (h) & (j).

2. Respondent agrees that he will pay to the State of Michigan, through OFIR, administrative fines in the amount of **\$1,250.00**. Respondent further agrees to pay the fines within 30 days of the invoice date as indicated on the OFIR invoice.

IT IS SO ORDERED

Dated: 7/13/10


Stephen R. Hilker
Chief Deputy Commissioner

**III.
STIPULATION**


Respondent has read and understands the Consent Order above. Respondent agrees that the Chief Deputy Commissioner has jurisdiction and authority to issue this Consent Order pursuant to the Michigan Insurance Code. Respondent waives the right to a hearing in this matter if this Consent Order is issued. Respondent understands that the Consent Order and Stipulation will be presented to the Chief Deputy Commissioner for approval and the Chief Deputy Commissioner may or may not issue this Consent Order. Respondent waives any objection to the Commissioner deciding this case following a hearing in the event the Consent Order is not approved. Respondent admits to the Findings of Fact and Conclusions of Law set forth in the above Consent Order, and agrees to the entry of the Consent Order.

Dated: 07/01/2010


Kyle Nolen

The Office of Financial and Insurance Regulation staff approves this stipulation and recommends that the Chief Deputy Commissioner issue the above Consent Order.

Dated: 7/12/10


Conrad L. Tatnall
Staff Attorney